3510-DS-P

#### **DEPARTMENT OF COMMERCE**

#### **International Trade Administration**

[A-580-914]

Certain Superabsorbent Polymers from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) preliminarily determines that certain superabsorbent polymers (SAP) from the Republic of Korea (Korea) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is October 1, 2020, through September 30, 2021. Interested parties are invited to comment on this preliminary determination.

**DATES:** Applicable [Insert date of publication in the *Federal Register*].

**FOR FURTHER INFORMATION CONTACT:** Charles DeFilippo or Elfi Blum, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3979 or (202) 482-0197, respectively.

#### SUPPLEMENTARY INFORMATION:

#### Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on November 30, 2021.<sup>1</sup> On March 28, 2022, Commerce postponed the preliminary determination of this investigation and the revised deadline is now May 31, 2022.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> See Certain Superabsorbent Polymers from the Republic of Korea: Initiation of Less-Than-Fair Value Investigation, 87 FR 67915 (November 30, 2021) (Initiation Notice).

<sup>&</sup>lt;sup>2</sup> See Superabsorbent Polymers from the Republic of Korea: Postponement of Preliminary Determination in the Less-Than-Fair-Value Investigation, 87 FR 17270 (March 28, 2022).

For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.<sup>3</sup> A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).

ACCESS is available to registered users at <a href="https://access.trade.gov">https://access.trade.gov</a>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <a href="https://access.trade.gov/public/FRNoticesListLayout.aspx">https://access.trade.gov/public/FRNoticesListLayout.aspx</a>.

## Scope of the Investigation

The product covered by this investigation is SAP from Korea. For a complete description of the scope of this investigation, *see* Appendix I.

#### **Scope Comments**

In accordance with the preamble to Commerce's regulations,<sup>4</sup> the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).<sup>5</sup> Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For a summary of the product coverage comments and rebuttal responses submitted to the record, and accompanying discussion and analysis of all comments timely received, *see* the Preliminary Scope Decision Memorandum.<sup>6</sup> Commerce invited parties to comment on the Preliminary Scope Decision Memorandum. We intend to address the comments and issue a decision regarding the scope of this investigation after this preliminary determination. *See* the revised scope in Appendix I to this notice.

## Methodology

<sup>&</sup>lt;sup>3</sup> See Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Certain Superabsorbent Polymers from the Republic of Korea" dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>&</sup>lt;sup>4</sup> See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

<sup>&</sup>lt;sup>5</sup> See Initiation Notice.

<sup>&</sup>lt;sup>6</sup> See Memorandum, "Certain Superabsorbent Polymers from the Republic of Korea: Preliminary Scope Decision," dated April 29, 2022 (Preliminary Scope Decision Memorandum).

Commerce is conducting this investigation in accordance with section 731 of the Act.

Constructed export prices have been calculated in accordance with section 772(b) of the Act.

Normal value (NV) is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying the preliminary determination, *see* the Preliminary Decision Memorandum.

#### All-Others Rate

Sections 733(d)(1)(ii) and 735(c)(5)(A) of the Act provide that in the preliminary determination Commerce shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act.

Commerce calculated an individual estimated weighted-average dumping margin for LG Chem, Ltd. (LGC), the only individually examined exporter/producer in this investigation.

Because the only individually calculated dumping margin is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for LGC is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

### **Preliminary Determination**

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

Exporter/Producer	Estimated Weighted- Average Dumping Margin (percent)
LG Chem, Ltd.	28.74
All Others	28.74

### Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this preliminary determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise. These suspension of liquidation instructions will remain in effect until further notice.

#### Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this preliminary determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

### Verification

As provided in section 782(i)(1) of the Act, Commerce intends to verify the information relied upon in making its final determination.

#### **Public Comment**

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the last verification report is issued in this investigation. Rebuttal briefs may be submitted seven days after the date that case briefs are due.<sup>7</sup> Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who

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<sup>&</sup>lt;sup>7</sup> See 19 CFR 351.309.

submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Commerce has modified certain of its requirements for serving documents containing business proprietary information until further notice.<sup>8</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

## Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. Section 351.210(e)(2) of Commerce's regulations requires that a request by exporters for postponement of the final determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

On May 27, 2022, pursuant to 19 CFR 351.210(e), LGC requested that Commerce postpone the final determination and that provisional measures be extended to a period not to

 $<sup>^8</sup>$  See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

exceed six months. In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because: (1) the preliminary determination is affirmative; (2) the requesting exporter(s) account(s) for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, Commerce is postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, Commerce will make its final determination no later than 135 days after the date of publication of this preliminary determination.

#### **International Trade Commission Notification**

In accordance with section 733(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

#### Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act, and 19 CFR 351.205(c).

Dated: May 31, 2022.

### Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

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<sup>&</sup>lt;sup>9</sup> See LGC's Letter, "Certain Superabsorbent Polymers from the Republic of Korea: Request for Postponement of Final Determination and Extension of Provisional Measures Period," dated May 27, 2022.

### Appendix I

## **Scope of the Investigation**

The merchandise covered by this investigation is superabsorbent polymers (SAP), which is cross-linked sodium polyacrylate most commonly conforming to Chemical Abstracts Service (CAS) registry number 9003-04-7, where at least 90 percent of the dry matter, by weight on a nominal basis, corrected for moisture content, is comprised of a polymer with a chemical formula of (C3H3O2NaxH1-x)n, where x is within a range of 0.00 - 1.00 and there is no limit to n. The subject merchandise also includes merchandise with a chemical formula of  $\{(C2H3)COONayH(1-y)\}n$ , where y is within a range of 0.00 - 1.00 and there is no limit to n.

The subject merchandise includes SAP which is fully neutralized as well as SAP that is not fully neutralized.

The subject merchandise may also conform to CAS numbers 25549-84-2, 77751-27-0, 9065-11-6, 9033-79-8, 164715-58-6, 445299-36-5, 912842-45-6, 561012-86-0, 561012-85-9, or 9003-01-4.

All forms and sizes of SAP, regardless of packaging type, including but not limited to granules, pellets, powder, fibers, flakes, liquid, or gel are within the scope of this investigation. The scope also includes SAP whether or not it incorporates additives for anticaking, anti-odor, antiyellowing, or similar functions.

The scope also includes SAP that is combined, commingled, or mixed with other products after final sieving. For such combined products, only the SAP component is covered by the scope of this investigation. SAP that has been combined with other products is included within the scope, regardless of whether the combining occurs in third countries. A combination is excluded from this investigation if the total SAP component of the combination (regardless of the source or sources) comprises less than 50 percent of the combination, on a nominal dry weight basis.

SAP is classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 3906.90.5000. SAP may also enter the United States under HTSUS 3906.10.0000. Although the HTSUS subheadings and CAS registry numbers are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

# **Appendix II**

# List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Scope of the Investigation
- V. Scope Comments
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

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